



## DEPARTMENT OF AGRICULTURE

### Rural Business-Cooperative Service

[Docket No. RBS-21-BUSINESS-019]

### Stakeholder Listening Session and Request for Information on the Value-Added

### Producer Grant Program

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Request for information.

**SUMMARY:** The Rural Business-Cooperative Service (RBCS) is hosting a listening session and opening a request for information for public input about the Value-Added Producer Grant (VAPG) program. The VAPG program helps agricultural producers enter into value-added activities related to the processing and marketing of new products. The goals of this program are to generate new products, create and expand marketing opportunities, and increase producer income. RBCS is currently considering how it can streamline the application process, clarify eligibility requirements concerning food safety, reduce the burden for meeting requirements, and implement such requirements.

### DATES:

The listening session will be held on:

October 6, 2021 at 2:00PM-4:00 PM ET

<https://attendee.gotowebinar.com/register/574045542162812683>

Comments must be submitted by 11:59 p.m. Eastern Standard Time (EST) on

<https://www.regulations.gov>.

### ADDRESSES:

Federal eRulemaking Portal: Go to <https://www.regulations.gov> and, in the “Search” box, type in the Docket No. RBS-21-BUSINESS-0019. A link to the Notice will appear. You may submit a comment here by selecting the “Comment” button or you can

access the “Docket” tab, select the “Notice,” and go to the “Browse & Comment on Documents” Tab. Here you may view comments that have been submitted as well as submit a comment. To submit a comment, select the “comment” button, complete the required information, and select the “Submit Comment” button at the bottom.

Information on using Regulations.gov, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the site’s “FAQ” link at the bottom. Comments on this information collection must be received by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**FOR FURTHER INFORMATION CONTACT:**

Greg York, Program Management Division, Rural Business-Cooperative Service, United States Department of Agriculture, 1400 Independence Avenue, SW., MS 3226, Room 5801-South, Washington, DC 20250-3250, or call 202-720-1400, or email [cpgrants@wdc.usda.gov](mailto:cpgrants@wdc.usda.gov).

**SUPPLEMENTARY INFORMATION:**

Overview of VAPG

The VAPG program is authorized under section 231 of the Agriculture Risk Protection Act of 2000 (Pub. L. 106-224), as amended by section 10102 of the Agriculture Improvement Act of 2018 (Pub. L. 115-334) (see 7 U.S.C. 1627c).

Applicants must adhere to the requirements contained in the program regulation, 7 CFR 4284, subpart J. Terms you need to understand are defined in 7 CFR 4284.902.

The objective of this grant program is to assist viable Independent Producers, Agricultural Producer Groups, Farmer and Rancher Cooperatives, and Majority-Controlled Producer-Based Businesses in starting or expanding value-added activities related to the processing and/or marketing of Value-Added Agricultural Products. Grants will be awarded competitively for either planning or working capital projects directly

related to the processing and/or marketing of value-added products. Generating new products, creating and expanding marketing opportunities, and increasing producer income are the end goals of the program. All proposals must demonstrate economic viability and sustainability to compete for funding.

### **Instructions**

Response to this notice is voluntary. Each individual or institution is requested to submit only one response as directed in the ADDRESSES section of this notice.

Submission must not exceed 10 pages and fonts must be 12 point or larger, with a page number on each page. Responses should include the name of the person(s) or organization(s) filing the comment. Comments containing references, studies, research, and other empirical data that are not widely published should include copies or electronic links of the referenced materials. Comments containing profanity, vulgarity, threats, or other inappropriate language or content will not be considered. Comments submitted in response to this notice are subject to disclosure under the Freedom of Information Act (FOIA) (5 U.S.C. 552). Responses to this notice may also be posted, without change, on a Federal website.

Therefore, we request that no business proprietary information, copyrighted information, or personally identifiable information be submitted in response to this notice. In accordance with FAR 52-215-3(b), responses to this notice are not offers and cannot be accepted by the Government to form a binding contract. Additionally, the U.S. Government will not pay for response preparation or for the use of any information contained in the response.

To inform the Federal government's decision-making process, RBCS now seeks public input on the following questions.

1. The Agricultural Improvement Act of 2018 (2018 Farm Bill) added food safety and food safety equipment as eligible use of program funds. RBCS is seeking feedback

on applicant eligibility requirements as it relates to food safety and food safety equipment.

a. The 2018 Farm Bill requires food safety to be an eligible activity in 7 CFR Part 4284 Subpart J. In defining food safety, what can be included in the definition to further assist the applicants with understanding what qualifies as food safety?

b. The 2018 Farm Bill requires food safety equipment to be an eligible expense in 7 CFR Part 4284 Subpart J. What can be included in the definition of food safety equipment to further assist the applicants with understanding what qualifies as food safety equipment?

c. The 2018 Farm Bill allows expenses relating to costs incurred in obtaining food safety certifications. Given that eligible cost must be related to post-harvest value-added activities for the VAPG program, what type of food safety certifications should be included as eligible expenses?

d. The 2018 Farm Bill allows for recipients to make changes and upgrades to food safety practices. Given that eligible costs for the VAPG program must be related to post-harvest value-added food safety practices, what would you like to see as eligible uses of funds?

e. The 2018 Farm Bill further states that a recipient may use not more than \$6,500 of the amount of a grant to purchase or upgrade equipment to improve food safety. Given that eligible cost for the VAPG program must be related to post-harvest value-added activities, what would you like to see included as eligible uses of funds as it relates to food safety equipment?

f. The 2018 Farm Bill requires that a reserve be established for food safety assistance of not more than 25 percent of the available funds. However, other statutory reserved fund categories (set-aside) such as Beginning Farmer or Rancher, Socially-Disadvantaged Farmer or Rancher, and Mid-Tier Value Chain projects are each currently

capped at 10 percent of program funds. Are there any compelling reasons to establish a food safety set-aside higher than 10 percent?

2. RBCS is seeking feedback on the submission of a Business Plan related to a VAPG project. Currently, the VAPG program requires the Business Plan be completed by a Qualified Consultant and specifically for the proposed value-added project.

However, RBCS has considered changing this requirement to allow applicants to prepare their own Business Plan associated with the value-added project without the assistance of a Qualified Consultant. Should an applicant be allowed to prepare their own Business Plan without the assistance of a Qualified Consultant? Are there any unforeseen issues with allowing the applicant to prepare their own Business Plan?

3. RBCS is seeking feedback for evaluating and measuring the economic impact of the program on new and existing market outcomes related to the post-harvest value-added activities. Currently our program measures the production of value-added products, job creation, and increases in revenue return and customer base to the producer as a result of the value-added project. Are there other outcomes related to the value-added project that RBCS should be measuring?

4. RBCS seeks feedback on when the application deadline for the program should be. It is our intention to have a consistent deadline from year to year, rather than released at variable times through a Federal Register Notice. In keeping with traditional agricultural production cycles, we are trying to avoid an application deadline during production season. What would be an appropriate application deadline date for the VAPG program?

### **Non-Discrimination Statement**

In accordance with Federal civil rights laws and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Mission Areas, agencies,

staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotape, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720-2600 (voice and TTY); or the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, *USDA Program Discrimination Complaint Form*, which can be obtained online at <https://www.ocio.usda.gov/document/ad-3027>, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(1) Mail: U.S. Department of Agriculture

Office of the Assistant Secretary for Civil Rights

1400 Independence Avenue, SW

Washington, D.C. 20250-9410; or

(2) Fax: (833) 256-1665 or (202) 690-7442; or

(3) Email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

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**Karama Neal,**

*Administrator,*

*Rural Business-Cooperative Service.*

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